Public Utilities Commission of the State of California

Results of Public Agenda 3115

Meeting Held on Thursday, June 19, 2003 10:00 a.m.

San Francisco, California

Commissioners

Michael R. Peevey, President Geoffrey F. Brown Susan P. Kennedy Loretta M. Lynch Carl W. Wood

Website: http://www.cpuc.ca.gov

Scheduled Commission Meetings 505 Van Ness Avenue, San Francisco

Ratesetting Deliberative Meeting* Room 5305 (1:30 p.m.) Closed to the Public	Commission Meeting Auditorium (10 a.m.) Open to the Public
Monday, July 07, 2003 (San Francisco)	Thursday, July 10, 2003 (San Francisco)
Monday, August 18, 2003 (San Francisco)	Thursday, August 21, 2003 (San Francisco)
Friday, August 29, 2003 (San Francisco at 11:00 AM)	Thursday, September 04, 2003 (San Francisco)
Monday, September 15, 2003 (San Francisco)	Thursday, September 18, 2003 (Los Angeles)
Monday, September 29, 2003 (San	

Francisco)

For further information contact the Public Advisor (415) 703-2074 E-mail: public.advisor@cpuc.ca.gov



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^{*}Ratesetting Deliberative Meeting dates are reserved as noted but will be held only if there are ratesetting matters to be considered and a Commissioner has requested that a Ratesetting Deliberative Meeting be held.

PUBLIC COMMENT

The following items are not subject to public comment:

· All items on the closed session agenda; these are HEX and EX items.

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Public Comment:

Consent Agenda

Items shown on the Consent Agenda will be taken up and voted on as a group in one of the first items of business of each Commission meeting. Items may be removed from the Consent Agenda for discussion on the Regular Agenda at the request of any Commissioner prior to the meeting.

Orders and Resolutions

CA-1 Res TL-19029

2105 Resolution approving issuance of charter-party carrier certificates pursuant to Section 5374(b) of the Public Utilities Code.

O-4-----

Outcome Approved

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

CA-2 Res ALJ 176-3115

Ratification of preliminary determination of category for proceedings initiated by application. The preliminary determinations are pursuant to Article 2.5, Rules 4 and 6.1 of the Commission's Rules of Practice and Procedure.

Outcome Approved

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

CA-3 Res W-4390 - California Water Service Company (CWSC), Salinas and Bakersfield Districts.

This resolution denies the acquisition of three water companies and suspending balancing account advice letter filings pending determination of costs associated with acquired water companies included in balancing accounts effective November 29, 2001. (Advice Letters (AL) 1514 and AL 1515, filed May 7, 2002, and AL 1517, filed June 26, 2002)

(Agenda 3111, Item CA-17 4/17/2003 (Staff); Agenda 3113, Item CA-7 5/22/2003 (Staff))

Outcome Held (7/10/03, Consent Agenda.)

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

CA-4 Res M-4809

2164

Revised draft resolution for deviations from General Order 96-A regarding submittals of tariff sheets and advice letters.

(Agenda 3114, Item CA-5 6/5/2003 (Staff))

Outcome Approved

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

CA-5 (Rev.) A02-04-022 - California-American Water Company (CalAm).

2242

For an order authorizing CalAm to increase its rates for water service in its Monterey Division. This decision grants CalAm's petition for modification of D03-02-030. Appendices E, F, and G are added to the decision, confirming figures used to establish Monterey Division's adopted general office expenses for test years 2003 and 2004. This proceeding is closed.

(Comr Peevey - ALJ McVicar)

06/16/2003 - This revision was not shown on the Agenda mailed to the public.

Outcome Signed

D03-06-043

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

CA-6 A01-11-014 - Verizon Advanced Data Inc. (VADI).

2259

A00-09-028 - Related matters. This decision grants VADI's application to transfer its advanced data services assets and reintegrate with Verizon California Inc. (Verizon). This decision also grants Verizon's motion to withdraw its earlier filed application to transfer intrastate advanced data service assets to VADI (A00-09-028) on the ground that subsequent events have superseded the need to act on the application given Verizon's decision not to maintain advanced services in the separate VADI affiliate. A00-09-028 is closed.

(Comr Wood - ALJ Thomas)

Outcome Signed

D03-06-044

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

CA-7 A03-03-048 - Southern California Gas Company (SoCalGas).

2265

For modification of Resolution G-3334. This decision denies SoCalGas's petition to modify Ordering Paragraph 3 of Res G-3334. The implementation application filing ordered in the Resolution shall be filed on June 30, 2003. This proceeding is closed.

(Comr Wood - ALJ Wong)

Outcome Signed

D03-06-045

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

CA-8 A03-03-045 - CMTel (USA) LLC (Applicant).

2287

This decision grants Applicant a certificate of public convenience and necessity under Pub. Util. Code § 1001 to provide limited facilities-based and resold local exchange telecommunications services. This proceeding is closed.

(Comr Brown - ALJ Bemesderfer)

Outcome Signed

D03-06-046

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

CA-9 (ECP) C03-03-032 - Christopher Douglas (Complainant) vs. Pacific Gas and Electric Company (PG&E).

Complainant alleges that PG&E overcharged him, was not billing in accordance with its filed tariff rates, changed his account number because he filed a complaint with the Commission, and refused to provide copies of his billing statements to prevent him from presenting his case. PG&E has demonstrated that Complainant has been billed in accordance with PG&E's filed tariffs. The complaint is dismissed. This proceeding is closed.

(Comr Wood - ALJ Patrick)

Outcome Signed

D03-06-047

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

CA-10 A03-03-012 - Matrix Telecom, Inc. (Matrix) and International Exchange Communications, Inc. (IEC).

This decision grants the application for sale of assets by IEC to Matrix. This proceeding is closed. (Comr Brown - ALJ Bemesderfer)

Outcome Signed

D03-06-048

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

CA-11 A03-01-017 - CI2 dba Computer Intelligence Squared (Applicant).

This decision grants Applicant a certificate of public convenience and necessity to resell local exchange and interexchange telecommunications service. This proceeding is closed.

(Comr Lynch - ALJ O'Donnell)

Outcome Signed

D03-06-049

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

CA-12 A03-03-013 - VCOM Solutions, Inc. (Applicant).

2300

This decision grants Applicant a certificate of public convenience and necessity to provide limited facilities-based local exchange and interexchange telecommunications services. This proceeding is closed.

(Comr Kennedy - ALJ O'Donnell)

Outcome Signed

D03-06-050

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

CA-13 A03-01-008 - Alticomm, Inc. (Applicant).

2301

This decision grants Applicant a certificate of public convenience and necessity to resell local exchange telecommunications service. This proceeding is closed.

(Comr Kennedy - ALJ O'Donnell)

Outcome Signed

D03-06-051

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

CA-14 A03-03-009 - Pacific Gas and Electric Company (PG&E).

2306

This decision grants PG&E an order confirming it may grant a revocable floating dock license under General Order 69-C to Marina View Heights Association. This proceeding is closed.

(Comr Kennedy - ALJ Bemesderfer)

Outcome Signed

D03-06-052

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

CA-15 A03-01-003 - Teledata Solutions, Inc. dba TSI (Applicant).

2310

This decision grants Applicant a certificate of public convenience and necessity to resell local exchange service. This proceeding is closed.

(Comr Kennedy - ALJ Bemesderfer)

Outcome Signed

D03-06-053

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

CA-16 A02-11-054 - Great America Networks, Inc. (Applicant).

2312

This decision grants Applicant a certificate of public convenience and necessity to provide limited facilities-based local exchange services. This proceeding is closed.

(Comr Wood - ALJ O'Donnell)

Outcome Signed

D03-06-054

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

CA-17 A03-03-033 - Focal Communications Corporation of California (Applicant).

2313

This decision grants Applicant's request to discontinue service to approximately 41 of its business customers. This proceeding is closed.

(Comr Brown - ALJ O'Donnell)

Outcome Signed

D03-06-055

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

CA-18 A02-07-049 - BayPorter Express, Inc. (Applicant).

2323

This decision authorizes Applicant to increase its rates and establish a new zone of rate freedom for its passenger stage operations. This proceeding is closed.

(Exam Clark)

Outcome Signed

D03-06-056

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

CA-19 A03-04-009 - Mohsen M. Ahmed (Transferor) and Rachel Bueno and Javier Canal 2325

(Transferee).

This decision authorizes Tansferor to transfer his certificate to operate as a passenger stage corporation to Transferee. This proceeding is closed.

(Exam Clark)

Outcome Signed

D03-06-057

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

CA-20 A03-04-010 - Mola Kendie Gebeye dba All Airport Connection Shuttle (Applicant).

2331

This decision authorizes Applicant to operate as passenger stage corporation between points and places in San Francisco, Alameda, Contra Costa, Santa Clara, Solano, Marin and San Mateo Counties, on the one hand, and the airports of San Francisco, San Jose, and Oakland, on the other hand. This proceeding is closed.

(Exam Clark)

Outcome Signed

D03-06-058

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

CA-21 A03-03-007 - BayPorter Express (Applicant).

2332

This decision authorizes Applicant to extend its on-call passenger stage certificate between San Francisco County and San Francisco International Airport. This proceeding is closed.

(Exam Clark)

Outcome Signed

D03-06-059

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

CA-22 A02-06-050 - Westar Marine Services, Division of Cross Link, Inc. (Applicant).

2333

This decision authorizes Applicant to increase its vessel common carrier water taxi rates in San

Francisco Bay. This proceeding is closed.

(Exam Clark)

Outcome Signed

D03-06-060

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

CA-23 A03-04-007 - Pacific Adventures Cruises, Inc. (Applicant).

2334

This decision authorizes Applicant to extend its vessel common carrier operations to include scheduled water taxi service in Marina del Rey. This proceeding is closed.

(Exam Clark)

Outcome Signed

D03-06-061

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

CA-24 Res T-16752 - SBC California (SBC).

2336

This resolution approves an Interconnection Agreement between SBC and Enhanced Communications Networks, Inc., in accordance with the provisions of General Order 96-A and Resolution ALJ-181. (Advice Letter 23675, filed April 16, 2003)

Outcome Approved

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

CA-25 Res T-16749 - Citizens Telecommunications Company of California, Inc. (CTC-California).

2337

This resolution approves an Interconnection Agreement between CTC-California and Cal One Cellular L.P., in accordance with the provisions of General Order 96-A and Resolution ALJ-181. (Advice Letter 789, filed March 24, 2003)

Outcome Approved

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

CA-26 Res T-16751 - SBC California (SBC).

2338

This resolution approves an Interconnection Agreement between SBC and Sprint Communications Company L.P., in accordance with the provisions of General Order 96-A and Resolution ALJ-181. (Advice Letter 23674, filed April 16, 2003)

Outcome Approved

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

CA-27 Res T-16750 - Citizens Telecommunications Company of California, Inc. (CTC-California).

2339

This resolution approves an Interconnection Agreement between CTC-California and T-Mobile USA, Inc., in accordance with the provisions of General Order 96-A and Resolution ALJ-181. (Advice Letter 790, filed March 24, 2003)

Outcome Approved

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

CA-28 A02-12-040 - Santa Clara Valley Transportation Authority (VTA).

2340

This decision grants VTA's application to construct a grade-separated highway-rail crossing over Hamilton Avenue and a grade-separated pedestrian rail-crossing over a freight railroad line in City of Campbell, Santa Clara County. This proceeding is closed.

(Exam Clark)

Outcome Signed

D03-06-062

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

CA-29 A03-03-047 - San Francisco Bay Area Rapid Transit District (BART).

2341

This decision grants BART's application to construct a new grade-separated pedestrian overpass over the tracks of the Peninsula Joint Powers Board at the new Millbrae intermodal station, at milepost 13.62. This proceeding is closed.

(Exam Clark)

Outcome Signed

D03-06-063

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

CA-30 A02-06-042 - Alameda Corridor - East Construction Authority (ACE).

2343

This decision grants ACE's application to add flashing light signals with gates, vehicle presence detection systems, and exit gate control systems, creating four-quadrant gate systems under General Order 75-C, Section 6.71 and 10, at five grade crossings in City of Pomona, Los Angeles County. This proceeding is closed.

(Exam Clark)

Outcome Signed

D03-06-064

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

CA-31 Res SU-56 - Los Angeles to Pasadena Blue Line Construction Authority (PBLCA).

2344

This resolution grants PBLCA a variance from Rule 74.4F(1) of General Order 95 on exclusive and semi-exclusive rights of way.

Outcome Held (7/10/03, Consent Agenda.)

Yes: (none) No: (none) Abstain: (none) Absent: (none)

CA-32 Res ST-63 - Los Angeles to Pasadena Blue Line Construction Authority (PBLCA).

2345

This resolution grants PBLCA's request to deviate from track overhead clearance requirements of General Order 95. It specifically authorizes reduced overhead track clearance for the first 200 foot section of northbound track starting at the south end of the Colorado Box.

Outcome Held (7/10/03, Consent Agenda.)

CA-33 Res W-4405 - Southern California Water Company (SCWC), Region III, Region II, Bay 2346 Point, Clearlake, Los Osos, Ojai, and Santa Maria Districts.

This resolution authorizes surcharges and/or surcredits in each district of SCWC to amortize the cumulative balances in purchased water and purchased power balancing accounts producing additional annual revenues of \$2,081,590 or 1.3% for those combined districts. (Advice Letter (AL) 1117-W, AL 1118-W, AL 1119-W, AL 1120-W, AL 1121-W, AL 1122-W, and AL 1124-W, filed March 27, 2003)

Outcome Approved

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

CA-34 Res W-4404 - San Jose Water Company (SJWC).

2347 This resolution authorizes SJWC an offset rate

This resolution authorizes SJWC an offset rate increase for increases in the cost of purchased water and pump tax of \$5,261,163 or 4.17% in additional revenue. (Advice Letter 342, filed April 18, 2003)

Outcome Approved

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

CA-35 A02-05-022 - Southern California Edison Company (SCE).

A02-05-025, A02-05-026, A02-05-031 - Related matters. This order exempts SCE from filing a 2004 test year cost of capital (COC) proceeding. Its next COC shall be for its 2005 test year and shall be filed by May 10, 2004. A02-05-025, A02-05-026, and A02-05-031 are closed.

(Comr Brown, Comr Peevey - ALJ Galvin)

Outcome Held (7/10/03, Regular Agenda. For alternate.)

CA-36 A99-06-033 - Pacific Gas and Electric Company (PG&E).

2358

Application submitting electric rate proposal for Direct Access Services described in D97-10-087. A99-06-040, A99-06-041, A99-03-013, A99-03-019, A99-03-024, R92-03-050 - Related matters. This decision awards The Utility Reform Network (TURN) and Golden State Power Cooperative intervenor compensation for their participation in proceedings involving revenue cycle services, direct access service fees, and line extensions (TURN only). A99-06-033, A99-06-040, A99-06-041, A99-03-013, A99-03-019, and A99-03-024 are closed.

(Comr Kennedy, Comr Lynch - ALJ Patrick, ALJ Wetzell)

Outcome Signed

D03-06-065

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

CA-37 A03-03-042 - Southern California Gas Company (SoCalGas).

2359

This decision grants SoCalGas the authority to obtain long-term debt capital not to exceed \$715,000,000 and certain exemptions from the Competitive Bidding Rule. This proceeding is closed. (Exam Clanon)

Outcome Held (7/10/03, Consent Agenda. Further review.)

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

CA-38 A00-05-029 - Pacific Gas and Electric Company (PG&E) and California Waterfowl (Rev.) Association.

2260

For an order market valuing and authorizing the transfer of certain land in Shasta County (McArthur Swamp)and related properties pursuant to Pub. Util. Code Sections 367(b) and 851. A00-05-030 - Related matters. This decision dismisses these consolidated applications without prejudice, since the recent Federal Energy Regulatory Commission order renewing PG&E's Pit 1 hydroelectric plant license bars the transfer of land and other property at issue, since some of the land is within the license boundary. These proceedings are closed.

(Comr Lynch - ALJ Vieth)

06/18/2003 - This item appeared as (4) on the agenda distributed to the public.

Outcome Signed

D03-06-066

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

Regular Agenda

Utility and Transportation Orders *Orders Held Over*

H-1 R01-10-024 - Order Instituting Rulemaking to establish policies and cost recovery mechanisms for generation procurement and renewable resource development.

This draft decision grants in part Southern California Edison Company's (SCE) February 3, 2003 Petition for Modification of D02-12-074. In all other respects, SCE's petition is denied.

(Comr Peevey - ALJ Walwyn)

(Agenda 3111, Item 3 4/17/2003 (Peevey); Agenda 3112, Item H-6 5/8/2003 (Peevey); Agenda 3113, Item H-6 5/22/2003 (Lynch); Agenda 3114, Item H-7 6/5/2003 (Brown))

Outcome Signed

D03-06-067

Yes: (Brown, Kennedy, Peevey)

No: (Lynch, Wood) Abstain: (none) Absent: (none)

H-1a ALTERNATE TO ITEM 2023

2057

This alternate order applies the disallowance cap to a different amount of procurement costs than the administrative law judge's draft decision.

(Comr Peevey)

(Agenda 3111, Item 3a 4/17/2003 (Peevey); Agenda 3112, Item H-6a 5/8/2003 (Peevey); Agenda 3113, Item H-6a 5/22/2003 (Lynch); Agenda 3114, Item H-7a 6/5/2003 (Brown))

Outcome Withdrawn

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

H-1b ALTERNATE TO ITEM 2023

2296

This alternate order applies the disallowance cap to a lower amount of procurement costs than the Administrative Law Judge's draft decision.

(Comr Lynch)

(Agenda 3114, Item H-7b 6/5/2003 (Brown))

Outcome Defeated

Yes: (Lynch, Wood)

No: (Brown, Kennedy, Peevey)

Abstain: (none) Absent: (none)

Thursday, June 19, 2003 Public Agenda 3115

H-2 R01-10-024 - Order Instituting Rulemaking to establish policies and cost recovery 2080 mechanism for generation procurement and renewable resource development.

This decision addresses the Department of Water Resource's (DWR) Petition for Modification of D02-09-053, requesting to reallocate Product D of the Williams contract from San Diego Gas and Electric Company (SDG&E) to Southern California Edison Company (SCE) in light of recent renegotiations. The Commission denies DWR's request. The Commission finds that there are clear disadvantages to the proposed contract reallocation in terms of allocated capacity, energy, residual net short and other factors considered in D02-09-053. The Commission also finds that the economic and reliability enhancements that DWR associates with its proposal can be acquired through contractual arrangements between SCE and SDG&E, as needed.

(Comr Peevey - ALJ Halligan)

(Agenda 3113, Item CA-9 5/22/2003 (Lynch))

Outcome Signed

D03-06-068

Yes: (Brown, Kennedy, Peevey, Wood)

No: (Lynch) Abstain: (none) Absent: (none)

H-2a ALTERNATE TO ITEM 2080

2355 This alternate order rejects DWR's proposal to reallocate the Williams contract from SDG&E to SCE, but requires the utilities and DWR to submit a new, joint proposal to rebalance and optimize the allocation of the contracts.

(Comr Lynch)

Outcome Defeated

Yes: (Lynch, Wood)

No: (Brown, Kennedy, Peevey)

Abstain: (none) Absent: (none)

H-3 A02-09-006 - Wild Goose Storage, Inc. (Wild Goose).

This decision determines that the holding company merger involving Wild Goose's original parent has resulted in an indirect change of control over Wild Goose and approves the change of control nunc pro tunc but levies a penalty of \$51,500 for a continuing violation of Pub. Util. Code § 854(a). One half of the penalty (\$25,750) is suspended after considering mitigating factors. This proceeding is closed.

(Comr Lynch - ALJ Vieth)

(Agenda 3113, Item 1 5/22/2003 (Wood); Agenda 3114, Item H-9 6/5/2003 (Brown))

Outcome Defeated

Yes: (Kennedy, Peevey) No: (Brown, Lynch, Wood)

Abstain: (none) Absent: (none)

2090

H-3a ALTERNATE TO ITEM 2090

2092

This alternate decision determines that the holding company merger involving Wild Goose's original parent has resulted in an indirect change of control over Wild Goose and approves the change of control nunc pro tunc but levies a penalty of \$1,510,000 for a continuing violation of Pub. Util. Code § 854(a). This proceeding is closed.

(Comr Lynch)

(Agenda 3113, Item 1a 5/22/2003 (Wood); Agenda 3114, Item H-9a 6/5/2003 (Brown))

Outcome Defeated

Yes: (Lynch, Wood)

No: (Brown, Kennedy, Peevey)

Abstain: (none) Absent: (none)

H-3b ALTERNATE TO ITEM 2090

2349

This alternate decision determines that the holding company merger involving Wild Goose's original parent has resulted in an indirect change of control over Wild Goose. The alternate approves, on a prospective basis, the indirect transfer of control over Wild Goose. Retroactive approval is denied. The alternate also levies a penalty of \$51,500 for a continuing violation of Pub. Util. Code § 854 (a). This proceeding is closed.

(Comr Brown)

Outcome Signed (Comr. Lynch will file a concurrence. Comr. Wood will file a concurrence.)

D03-06-069

Yes: (Brown, Lynch, Peevey, Wood)

No: (Kennedy) Abstain: (none) Absent: (none)

H-4 A00-02-048 - Innovative Telecom Corp. (ITC) and Enhanced Global Convergence Services, Inc. (eGCS).

This decision authorizes ITC and eGCS to transfer all of ITC's assets to eGCS on a prospective basis. Applicants are fined a total of \$500 for completing the transfer of assets prior to requesting and obtaining Commission authorization to transfer the assets. This proceeding is closed.

(Comr Wood - ALJ Galvin)

(Agenda 3113, Item CA-16 5/22/2003 (Wood); Agenda 3114, Item H-10 6/5/2003 (Wood))

Outcome Held (7/10/03)

H-5 197-07-018 - Investigation on the Commission's own motion into the operations, practices, 2160 rates and charges of the Hillview Water Company, Inc. (Hillview), a corporation, and Roger L. Forrester (Forrester), the principal shareholder and president.

This decision determines that the respondents, Hillview and Forrester violated Section 491 and Section 825 of the California Public Utilities Code. The respondents must prepare a reconciliation of accounts for the period from January 1, 1991, to and including July 31, 1998. If that reconciliation indicates that Hillview's revenue requirement is materially inaccurate, Hillview must file an informal general rate case to properly adjust its rates. A five-year probationary period is instituted to prevent a recurrence of these violations. This proceeding is closed.

(Comr Kennedy - ALJ Ryerson)

(Agenda 3114, Item 1 6/5/2003 (Staff))

Outcome Held (7/10/03. Further review.)

Yes: (none) No: (none) Abstain: (none) Absent: (none)

H-6 R95-04-043 - Order Instituting Rulemaking on the Commission's own motion into 2177 competition for local exchange service.

I95-04-044 - Related matters. This decision authorizes the North American Numbering Plan Administrator, together with carriers to proceed immediately with implementation of the 310 Numbering Plan Area (NPA) back-up relief plan adopted in D00-09-073. The back-up plan provides for a geographic split of the 310 NPA to create a new 424 NPA in order to replenish the supply of NXX codes available for telephone number assignments. The southern portion of the current 310 area code, including El Segundo, Hawthorne, Compton, Redondo, Lomita, and San Pedro shall be split off to form a new 424 area code.

(Comr Lynch - ALJ Pulsifer)

(Agenda 3114, Item 2 6/5/2003 (Peevey))

Outcome Held (8/21/03. Further review.)

H-6a ALTERNATE TO ITEM 2177

2179

This decision concludes that adequate telephone numbers still exist in the 310 area code to provide customers and telephone carriers with sufficient service. It is not necessary at this time to split the 310 area code by implementing the area code split plan adopted in D00-09-073. Instead, the Commission should closely monitor the additional need for telephone numbers in the 310 area code to assure adequate telephone number supplies, and further advocate its number conservation proposals now pending with the federal Communications Commission.

(Comr Lynch)

(Agenda 3114, Item 2a 6/5/2003 (Peevey))

Outcome Held (8/21/03. Further review.)

Yes: (none) No: (none) Abstain: (none) Absent: (none)

H-7 2291

R _______ - Order Instituting Rulemaking adopting rules to account for the consideration received by regulated California electric and natural gas utilities under a settlement with El Paso Natural Gas Company.

The Commission, Southern California Edison Company (Edison), Pacific Gas & Electric Company (PG&E), and others, have reached a settlement with El Paso Natural Gas Company in the Commission's complaint proceeding, Docket No. RP00-241-000 at the Federal Energy Regulatory Commission, as a part of a larger settlement involving the investigations by the California Attorney General, and the Attorneys General from Nevada, Washington, and Oregon, as well as 15 separate plaintiffs' lawsuits in the San Diego Superior Court. This Order Instituting Rulemaking (OIR) will adopt the appropriate ratemaking mechanisms to enable the three major investor-owned electric utilities, Edison, San Diego Gas & Electric Company (SDG&E) and PG&E, and the four major investor-owned gas utilities, PG&E, Southern California Gas Company (SoCalGas), SDG&E, and Southwest Gas Company (Southwest) to implement accounting mechanisms for the proceeds of the negotiated settlement.

(Agenda 3114, Item 4 6/5/2003 (Staff))

Outcome Held (7/10/03.)

Orders

1 R03-03-014 - Order Instituting Rulemaking into implementation of Senate Bill 669 and 2247 Assembly Bill 1734, as they affect the Deaf and Disabled Telecommunications Equipment and Services Program Fund.

This decision adopts new charters for: (1) the Telecommunications Access for the Deaf and Disabled Administrative Committee (TADDAC) which will advise the Commission on the administration of the Deaf and Disabled Telecommunications Program (DDTP); (2) the California Relay Service Advisory Committee (CRSAC) which will advise the TADDAC on issues related to the CRS; and (3) the Equipment Program Advisory Committee which will advise the TADDAC on issues related to the equipment program. Also, this decision adopts a payment schedule for DDTP-related invoices. (Comr Kennedy - ALJ Jones)

Outcome Signed

D03-06-070

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

2 A01-09-062 - California Water Service Company (Cal Water).

2256

For an order authorizing Cal Water to increase rates charged for water service at each of its operating districts to recover increased operating expenditures at its General Office. A01-09-063, A01-09-064, A01-09-065, A01-09-066, A01-09-067, A01-09-068, A01-09-069, A01-09-070, A01-09-071, A01-09-072, A01-09-073, A01-09-074 - Related matters. This decision authorizes Cal Water to increase rates in various operating districts.

(Comr Kennedy - ALJ Bushey)

Outcome Held (7/10/03. Further review.)

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

R01-10-024 - Order Instituting Rulemaking to establish policies and cost recovery mechanisms for generation procurement and renewable resource development.

This decision begins the implementation of the renewable portfolio standard program established by Senate Bill 1078.

(Comr Peevey - ALJ Allen)

Outcome Withdrawn

3a ALTERNATE TO ITEM 2258

2351 This alternate differs from the proper

This alternate differs from the proposed decision primarily on how to address potential utility non-compliance with RPS mandates.

(Comr Lynch)

Outcome Signed

D03-06-071

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

2264

5 A03-01-019 - Southern California Edison Company (SCE).

For authority to lower and adjust retail electric rates for all customer classes upon completion of full recovery of procurement related obligations account. This decision adopts a stipulation agreed to by SCE, Office of Ratepayer Advocates, The Utility Reform Network, California Large Energy Consumer Association, California Manufacturers and Technology Association, Agricultural Energy Consumers Association, California Farm Bureau Federation, and others, by which SCE will lower its retail electric rates by \$1.25 billion annually, starting July 1, 2003. This proceeding is closed.

(Comr Brown - ALJ Barnett)

Outcome Held (7/10/03. Further review.)

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

R01-12-009 - Order Instituting Rulemaking on the Commission's own motion to evaluate existing practices and policies for processing offset rate increases and balancing accounts in the water industry to decide whether new processes are needed.

This decision revises the existing procedures for recovery of under collections and over collections in balancing accounts existing on or after November 29, 2001 as follows: (1) If a utility is within its rate case cycle and is not over earning, the utility shall recover its balancing account subject to reasonableness review; and (2) If a utility is either within or outside of its rate case cycle and is over earning, the utility's recovery of expenses from the balancing accounts will be reduced by the amount of the over earning, again subject to reasonableness review. The utility shall remove the amount of the over earning from the balancing account and shall amortize it below the line. Utilities shall use the recorded rate of return means test to evaluate earnings for all years. This proceeding is closed.

(Comr Brown - ALJ Econome)

Outcome Signed

D03-06-072

Yes: (Brown, Kennedy, Lynch, Wood)

No: (Peevey)
Abstain: (none)
Absent: (none)

R02-01-011 - Order Instituting Rulemaking regarding the implementation of the suspension of direct access pursuant to Assembly Bill 1X and Decision 01-09-060.

This decision adopts Cost Responsibility Surcharges (CRS) on Direct Access CRS effective July 1, 2003.

(Comr Brown, Comr Wood - ALJ Pulsifer)

Outcome Held (7/10/03. For alternate.)

Yes: (none) No: (none) Abstain: (none) Absent: (none)

7a ALTERNATE TO ITEM 2267

This alternate differs from the proposed decision by adopting a Direct Access Cost Responsibility Surcharge of 4 cents per kWh.

(Comr Lynch)

Outcome Held (7/10/03. For alternate.)

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

8 A02-03-035 - Southern California Edison Company (SCE) and Pacific Terminals LLC (Pacific 2268 Terminals).

This decision concludes that Pub. Util. Code § 377 does not bar the sale of SCE's Fuel Oil Pipeline Facilities to Pacific Terminals. The sale is approved. This proceeding is closed.

(Comr Wood - ALJ Evans)

Outcome Held (7/10/03. Further review.)

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

9 P02-05-014 - Verizon California Inc.

This decision grants Verizon California Inc.'s Petition for a rulemaking to establish rules governing the transfer of customers from carriers exiting the local telecommunications market and institutes a rulemaking to facilitate the migration. P02-05-014 is closed.

(Comr Wood - ALJ Grau)

Outcome Signed

R03-06-020

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

Utilities Resolutions and Written Reports Energy Matters

E-1 Res E-3814 - Southern California Edison Company (SCE).

1750

SCE seeks Commission approval of one power purchase agreement contributing toward procurement of at least an additional one percent of the utility's annual electric sales from renewable energy resources irrespective of the utility's residual net short. (Advice Letter 1680-E, filed January 14, 2003) (Agenda 3107, Item E-3 2/13/2003 (Brown); Agenda 3108, Item E-3 2/27/2003 (Staff); Agenda 3109, Item E-1 3/13/2003 (Brown); Agenda 3110, Item E-1 4/3/2003 (Kennedy); Agenda 3111, Item E-1 4/17/2003 (Kennedy); Agenda 3114, Item E-1 6/5/2003 (Wood))

Outcome Held (7/10/03.)

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

E-1a ALTERNATE TO ITEM 1750

2293

This alternate differs from the proposed Energy Division Resolution in that it approves one power purchase agreement which Southern California Edison (SCE) requests to enter into in 2003 to contribute toward procurement of at least one percent of the utility's annual electris sales from renewable energy resources.

(Comr Wood)

(Agenda 3114, Item E-1a 6/5/2003 (Wood))

Outcome Held (7/10/03.)

Yes: (none) No: (none) Abstain: (none) Absent: (none)

E-2 Res E-3801 - Pacific Gas and Electric Company (PG&E).

1778

This resolution approves with modifications PG&E's tariff revisions to implement a flexible pricing option in accordance with Public Utilities Code Section 454.1. (Advice Letter 2276-E, filed August 26, 2002)

(Agenda 3109, Item E-3 3/13/2003 (Staff); Agenda 3110, Item E-3 4/3/2003 (Lynch); Agenda 3111, Item E-3 4/17/2003 (Brown); Agenda 3112, Item E-3 5/8/2003 (Peevey); Agenda 3114, Item E-2 6/5/2003 (Staff))

Outcome Held (7/10/03.)

E-2a ALTERNATE TO ITEM 1778

1962 PG&E submits revisions to implement a flexible pricing option in accordance with PUC Code 454.1.

Approved with modifications.

(Comr Peevey)

(Agenda 3110, Item E-3a 4/3/2003 (Lynch); Agenda 3111, Item E-3a 4/17/2003 (Brown); Agenda 3112, Item E-3a 5/8/2003 (Peevey); Agenda 3114, Item E-2a 6/5/2003 (Staff))

Outcome Held (7/10/03.)

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

E-3 Res E-3813 - Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas & Electric Company (SDG&E).

PG&E, SCE, and SDG&E filed tariffs to implement the Direct Access Cost Responsibility Surcharge effective January 1, 2003 in compliance with Ordering Paragraphs 10 and 11 of D02-12-045. (PG&E Advice Letter (AL) 2328-E, filed December 24, 2002, Supplemental ALs 2328-E-A/-E-B, filed January 13, 2003 and January 23, 2003; SCE AL 1674-E filed, December 24, 2002; and SDG&E AL 1461-E, filed December 26, 2002.)

(Agenda 3113, Item E-5 5/22/2003 (Lynch); Agenda 3114, Item E-3 6/5/2003 (Staff))

Outcome Approved

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

E-3a ALTERNATE TO ITEM 2110

PG&E, SDG&E and SCE's advice letters to implement the Direct Access Cost Responsibility Surcharge are approved with modifications.

(Comr Lynch)

Outcome Withdrawn

E-4 Res E-3827 - Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), and San Diego Gas & Electric Company (SDG&E).

This resolution approves requests of PG&E, SCE, and SDG&E to establish pilot programs to provide net energy metering for eligible biogas digester customer-generators in compliance with Assembly Bill 2228. (PG&E's Advice Letter (AL) 2350-E, SCE's AL 1692-E, and SDG&E's AL 1475-E, filed March 3, 2003)

Outcome Approved as Modified (Change p. 1. Comr. Kennedy will file a concurrence. Comr. Lynch reserves the right to file a concurrence.)

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

E-5 Res G-3352 - Southern California Gas Company (SoCalGas).

This resolution approves SoCalGas' request to revise its three existing standard form contracts and to establish a fourth new standard form contract. (Advice Letter 3194, filed on October 4, 2002)

Outcome Approved

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

Telecommunications Matters

C-1 Res T-16741

This resolution adopts a new structure for California Relay Service (CRS) and authorizes the Executive Director of the Commission to enter into six contracts, on behalf of the Commission, covering the provision of CRS under the new structure. The budget for six contracts is estimated to be \$133.1 million for three years, two-one year extensions plus six months. The resolution is pursuant to Public

Utilities Code Sections 2882, et seq and Senate Bill 669 (1999) and Assembly Bill 1734 (2002).

Outcome Approved

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

Legislative Matters

Items Held Over

HLEG-1 AB 808 (Canciamilla)

2214 Energy: agency consolidation.

(Agenda 3113, Item LEG-2 5/22/2003 (Staff); Agenda 3114, Item HLEG-1 6/5/2003)

Outcome Held (7/10/03. Further review.)

Yes: (none) No: (none) Abstain: (none) Absent: (none)

HLEG-2 AB 855 (Firebaugh and Levine)

1977 Wireless telecommunications: access to state property.

(Agenda 3110, Item LEG-3 4/3/2003 (Staff); Agenda 3111, Item HLEG-1 4/17/2003 (Staff); Agenda 3112, Item HLEG-3 5/8/2003 (Staff); Agenda 3113, Item HLEG-1 5/22/2003 (Staff); Agenda 3114, Item HLEG-2 6/5/2003 (Staff))

Outcome Held (7/10/03.)

Yes: (none) No: (none) Abstain: (none) Absent: (none)

HLEG-3 AB 1157 (Canciamilla)

2297 Public Utilities: Water rates.

(Agenda 3114, Item LEG-1 6/5/2003 (Kennedy))

Outcome Held (7/10/03.)

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

HLEG-4 SB 888 (Dunn, et. al.)

2298 Public utilities: electrical restructuring.

(Agenda 3114, Item LEG-2 6/5/2003)

Outcome Approved (Legislative Subcommittee Recommendation: Support bill, if amended; oppose bill, unless amended. Comr. Lynch will join Comr.

Wood's dissent. Comr. Wood will file a dissent.)

Yes: (Brown, Kennedy, Peevey)

No: (Lynch, Wood) Abstain: (none) Absent: (none)

Commissioner's Reports

CR-1 Commissioners' Reports

2107 Miscellaneous Commissioners' reports.

Outcome Information Only

Yes: (none)
No: (none)
Abstain: (none)
Absent: (none)

CR-2 Commissioner Lynch Report

2220

Discussion of and possible action on ensuring information from Commission staff or consultants is provided to interested commissioner offices in a timely manner.

(Agenda 3113, Item CR-2 5/22/2003 (Peevey); Agenda 3114, Item CR-2 6/5/2003 (Staff))

Outcome Held (7/10/03.)

Yes: (none) No: (none) Abstain: (none) Absent: (none)

CR-2a ALTERNATE TO ITEM 2220

(Rev.) 2374 The California Public Utilities Commission, pursuant to its inherent power to govern itself and to Public Utilities Codes §305, inter alia, does hereby promulgate the following addition to its Policy and Guidelines:

- 1. Each commissioner shall be entitled to all books and papers pertaining to his office, or in the custody of a former incumbent of his office (Government Code §1850). 2. All Commission staff shall promptly respond to all reasonable requests for information by commissioners, to the extent permitted by law.
- 3. The Commission is committed to open and constructive information flow in order to make sure that each vote is taken from an informed viewpoint, and that the advantages and disadvantages of decisions are weighed seriously and frankly.

(Comr Brown, Comr Peevey)

<u>06/12/2003</u> - This item was not listed on the agenda distributed to the public.

Outcome Held (7/10/03.)

CR-3 Commissioner Lynch Report

2364 Discussion of and possible action on Press Guidelines issued by President Peevey.

Outcome Held (7/10/03. Possible revisions.)

Management Reports and Resolutions

M-1 Management Reports

2109 Miscellaneous Management reports.

Outcome Withdrawn

Closed Session

This notice is furnished under Government Code Sections 11125 and 11126.3. The Commission will meet in Closed Session following the Public Session of its regularly scheduled meeting. In the Closed Session, the Commission may consider personnel matters as provided under Government Code Section 11126(a), institution of proceedings or disciplinary actions against any person or entity under the jurisdiction of the Commission as provided under Government Code Sections 11126(d)(2) and 11126(e)(2)(C)(i), and pending litigation as provided under Government Code Section 11126(e). Additional items may be added to the closed session agenda pursuant to Gov. Code Section 11126.3(d). If in Closed Session the Commission votes to appoint, employ, or dismiss a public employee, the Commission will thereafter reconvene in Open Session to make the

Non-Federal Items Orders Held Over

HEX-4 R01-10-024 - Conference with Legal Counsel – Applications for Rehearing

2128

Disposition of applications for rehearing of D02-08-071 filed by Pacific Gas and Electric Company (PG&E) and Southern California Edison Company (Edison). In D02-08-071, the Commission: (1) authorized PG&E and Edison to enter into interim contracts for procurement of capacity in participation with DWR; (2) adopted a procedural process to review and approve these interim contracts; and (3) established the requirements for procurement of renewable and QF power between the effective date of the D02-08-071 and January 1, 2003.

(Agenda 3112, Item EX-6 5/8/2003 (Staff); Agenda 3113, Item HEX-5 5/22/2003 (Staff); Agenda 3114, Item HEX-2 6/5/2003 (Staff))

Outcome Signed

D03-06-073

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

HEX-5 R01-10-024 - Conference with Legal Counsel – Application for rehearing

Disposes of the applications by Southern California Edison (SCE), Pacific Gas & Electric (PG&E), San Diego Gas & Electric Co. (SDG&E), and Sempra Energy Resources for the rehearing of D02-09-053. The decision is an interim opinion in the Commission's rulemaking to establish ratemaking mechanisms and procedures that would enable the utilities to resume responsibility for procuring power for their retail customers. The decision allocates existing California Department of Water Resources long-term contracts to PG&E, SCE and SDG&E.

(Agenda 3112, Item EX-7 5/8/2003 (Staff); Agenda 3113, Item HEX-6 5/22/2003 (Staff); Agenda 3114, Item HEX-3 6/5/2003 (Staff))

Outcome Signed

D03-06-074

2129

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

HEX-6 R01-10-024 - Conference with Legal Counsel – Applications for Rehearing 2130 Disposes of the applications by Pacific Gas & Electric (PG&E), and San Diego

Disposes of the applications by Pacific Gas & Electric (PG&E), and San Diego Gas & Electric Co. (SDG&E) for the rehearing of D02-12-069, which adopts the Operating Order under which PG&E, SDG&E, and SCE will perform the operational, dispatch, and administrative functions for the California Department of Water Resources' long-term power purchase contracts, as of January 1, 2003.

(Agenda 3112, Item EX-8 5/8/2003 (Staff); Agenda 3113, Item HEX-7 5/22/2003 (Staff); Agenda 3114, Item HEX-4 6/5/2003 (Staff))

Outcome Signed

D03-06-075

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

HEX-7 R01-10-024 - Conference with Legal Counsel – Applications for Rehearing

2131 Order disposing of applications for rehearing of D02-10-062 filed by

Pacific Gas and Electric Company (PG&E), Southern California Edison Company (Edison), San Diego Gas and Electric Company (SDG&E), Sempra Energy Resources, and Cogeneration Association of California. D02-10-062 adopts a regulatory framework under which PG&E, Edison, and SDG&E were to resume full procurement responsibilities effective January 1, 2003. (Agenda 3112, Item EX-9 5/8/2003 (Staff); Agenda 3113, Item HEX-8 5/22/2003 (Staff); Agenda 3114, Item HEX-5 6/5/2003 (Staff))

Outcome Signed (There is one decision for both HEX-7 (2131) and HEX-8 (2132).) D03-06-076

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

No: (none) Abstain: (none) Absent: (none)

HEX-8 R01-10-024 - Conference with Legal Counsel – Applications for Rehearing

2132 Order disposing of applications for rehearing of D02-12-074 filed by

Pacific Gas and Electric Company (PG&E), Southern California Edison Company (Edison), San Diego Gas and Electric Company (SDG&E), and Sempra Energy Resources. D02-12-074 approved short-term procurement plans for PG&E, Edison, and SDG&E and modified the cost recovery mechanisms and standards of conduct adopted in D02-10-062.

(Agenda 3112, Item EX-10 5/8/2003 (Staff); Agenda 3113, Item HEX-9 5/22/2003 (Staff); Agenda 3114, Item HEX-6 6/5/2003 (Staff))

Outcome Signed (There is one decision for both HEX-7 (2131) and HEX-8 (2132).) D03-06-076

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)

Orders

EX-5 R01-08-028 - Conference with Legal Counsel – Application for Rehearing

Disposes of application for rehearing of D03-04-055, motion to stay, and request for oral argument filed by Women's Energy Matters (WEM) which approved statewide and local energy efficiency programs for the investor owned utilities for the year 2003. WEM requests severance and stay of the decision for further review of Pacific Gas and Electric Company's pilot program to reduce energy demand and to increase energy efficiency in San Francisco.

Outcome Signed

D03-06-077

Yes: (Brown, Kennedy, Lynch, Peevey, Wood)